(2) There was no incentive for oil companies to generate internal resources for making investments for the future.

(3) Private capital as well as foreign direct investment would not be forthcoming in view of the regulatory controls inherent in the APM.

(4) Subsidies and cross-subsidies resulted in wide distortions in the consumer prices and did not reflect the economic cost of petroleum products.

The Government's decision to determine domestic prices of petroleum products on the basis of international prices is intended to make the oil companies globally competitive, to attract investments in petroleum sector to meet the growing demand, and to promote efficiency and better customer service through competition.

Allotment of oil and gas blocks

210. SHRI B.K. HARIPRASAD: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government proposes to auction around 100 oil and gas blocks soon under the New Exploration Licensing Policy (NELP)-VIII round among international bidders;

(b) whether similar auction will be held for Coal Bed Methane blocks for exploiting gas below coal bed; and

(c) whether the contractual terms under the NELP-VIII will include preferential allotment of gas by the producers to public sector units in power and fertilizer sectors?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL): (a) to (c) The number of blocks and contractual terms to be offered under the forthcoming eighth round of New Exploration Licensing Policy (NELP-VIII) and fourth round of Coal Bed Methane Policy (CBM-IV) have not been finalized.

Strike in public sector oil companies

211. SHRI PRAKASH JAVADEKAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the officers from various oil companies have been suspended and services of some other officers have been terminated for taking part in the strike in January, 2009;

(b) if so, the details thereof;

(c) whether Government proposes to take them back into the service in view of the fact that the striking officers have called off the strike unconditionally; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL): (a) and (b) It has been reported by the Oil PSUs that 67 Officers were terminated and 33 Officers were suspended/chargesheeted for taking part in the strike from 7th to 9th January, 2009.

(c) and (d) This is an administrative matter of the concerned PSU.